

**Hoe Leong Corporation Ltd.**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 199408433W)

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**USE OF PROCEEDS FROM EXERCISE OF OPTIONS**

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The Board of Directors (the “**Board**”) of Hoe Leong Corporation Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s:

- a) Circular to Shareholders dated 1 June 2021 (the “**Circular**”);
- b) SGXNet announcement dated 28 March 2023 in relation to the exercise of the remaining 1,264,383,561 Options (Principal amount: S\$1,846,000) by substantial shareholder, Shing Heng Holding Pte. Ltd. (“**SHHPL**”); and
- c) The Company’s SGXNet announcement dated 12 April 2023 in relation to the use of proceeds from the exercise of the remaining Options (the “**Announcement**”).

*Unless otherwise defined, capitalised terms used herein shall have the meanings as ascribed in the Circular and the Announcements.*

The Board wishes to update that the proceeds from the exercise of the remaining Options amounting to S\$1,846,000 was used for the following purposes:

| Use of proceeds<br>(As set out in the Circular)   | Amount<br>allocated<br>S\$’000 | Amount used<br>per the<br>Announcement<br>S\$’000 | Amount used<br>post-<br>Announcement<br>S\$’000 | Amount used<br>as at the date<br>of this<br>announcement<br>S\$’000 | Amount unused<br>as at the date<br>of this<br>announcement<br>S\$’000 |
|---|--------------------------------|---|---|---|---|
| General working capital<br>(and any potential<br>investments in plant and<br>equipment for expansion<br>and enhancement of<br>operational capacity) | 1,846                          | (583)   | (594)   | (1,177)   | 669   |

The breakdown of the use of proceeds for general working capital purposes is as follows:

|   | <b>S\$’000</b> |
|---|----------------|
| Purchases from suppliers and subcontractors | 322            |
| Investments in plant and equipment          | 207            |
| Other operating expenses*                   | 648            |
| Total                                       | 1,177          |

\*Comprising mainly of rental expenses, payroll costs and legal and professional fees.

The use of proceeds from the exercise of the remaining Options is in accordance with the stated intended use and percentage allocation as disclosed in the Circular.

By Order of the Board

Yeo Puay Hin  
Executive Director and CEO

17 May 2023